



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

FOR IMMEDIATE RELEASE
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People's United Bank, Bridgeport, Connecticut, Assumes All of the Deposits of Butler Bank, Lowell, Massachusetts

Butler Bank, Lowell, Massachusetts, was closed today by the Massachusetts Division of Banks, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with People's United Bank, Bridgeport, Connecticut, to assume all of the deposits of Butler Bank.

The four branches of Butler Bank will reopen during normal business hours beginning Saturday as branches of People's United Bank. Depositors of Butler Bank will automatically become depositors of People's United Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship to retain their deposit insurance coverage. Customers should continue to use their former Butler Bank branch until they receive notice from People's United Bank that it has completed systems changes to allow other People's United Bank branches to process their accounts as well.

This evening and over the weekend, depositors of Butler Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of December 31, 2009, Butler Bank had approximately \$268.0 million in total assets and \$233.2 million in total deposits. People's United Bank did not pay the FDIC a premium to assume all of the deposits of Butler Bank. In addition to assuming all of the deposits, People's United Bank agreed to purchase essentially all of the failed bank's assets.

The FDIC and People's United Bank entered into a loss-share transaction on \$206.1 million of Butler Bank's assets. People's United Bank will share in the losses on the



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-79-2010

asset pools covered under the loss-share agreement. The loss-share transaction is projected to maximize returns on the assets covered by keeping them in the private sector. The transaction also is expected to minimize disruptions for loan customers. For more information on loss share, please visit: <http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-355-0814. The phone number will be operational this evening until 9:00 p.m., Eastern Daylight Time (EDT); on Saturday from 9:00 a.m. to 6:00 p.m., EDT; on Sunday from noon to 6:00 p.m. EDT; and thereafter from 8:00 a.m. to 8:00 p.m., EDT. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/butlerbank.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$22.9 million. People's United Bank's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to all alternatives. Butler Bank is the 47th FDIC-insured institution to fail in the nation this year, and the first in Massachusetts. The last FDIC-insured institution closed in the state was Ludlow Savings Bank, Ludlow, October 21, 1994.
